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April 25, 1994

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FEDERAL COMMUNICATIONS COMMISSION

OFFICE OF SECRETARY

Mr. William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

Re: Ex Parte Comments

MM Docket No. 93-24

Dear Mr. Caton:

Pursuant to Section 1.1206(a)(1) of the Commission's rules, there is transmitted herewith two copies of an ex parte presentation made this day by letter to Chairman Reed Hundt, and Commissioners James H. Quello and Andrew C. Barrett. The presentation was made by American Wireless Systems, Inc., with regard to MM Docket No. 93-24 Amendment of Part 74 of the Commission's Rules With Regard to the Instructional Television Fixed Service.

American Wireless Systems, Inc., requested relief from the continuation of the application filing moratorium imposed in connection with this rulemaking.

Should there be any questions regarding this matter, kindly contact the undersigned.

Sincerely yours,

Robert F. Corazzini Counsel for American Wireless

Systems, Inc.

Enclosure



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## AMERICAN WIRELESS SYSTEMS, INC.

April 12, 1994

## EX PARTE OR LATE FILED

Mr. Reed Hundt, Chairman Federal Communications Commission 1919 M Street N.W. Washington, D.C. 20554

Dear Mr. Hundt:

Congratulations on your confirmation as Chairman. While I am sure there will be many challenges, there will also be substantial shape the landscape you help to Recently, you and the other telecommunications industry. Commissioners adopted modifications to the FCC's cable rate regulations further reducing rates. While I applaud the Commission's action, I feel the Commission should also pursue a course of encouraging competition to hardwire cable. As a wireless cable operator, American Wireless Systems, Inc. hopes to provide such competition and a choice for consumers; however, to do so, AWS as well as the entire wireless industry needs the Commission's help.

AWS is a public company that operates wireless systems in Fort Worth and Minneapolis and is developing systems in Memphis, Pittsburgh and Dallas. An example of what we can do if given the opportunity is the service provided by our Minneapolis system. AWS offers a 24 channel basic package for \$18.95 per month versus area cable operators' expanded basic packages ranging in price from \$21.96 to \$28.64. In addition, AWS offers a family package of the 24 channel basic service plus Showtime, Disney and The Movie Channel for \$28.90 per month. Prices for such a package from area cable operators range from \$36.83 to \$63.13. Clearly, we can offer a competitive alternative and the financial markets have recognized wireless cable's potential during the last year when six companies went public raising \$152,000,000 in equity. To reach this stage where financial markets are receptive to public offerings, wireless operators need to be in a position to launch systems. requires not only channel accumulation, but also collocation. is these processes where AWS and the wireless industry need the Commission's help.

First, the Commission has imposed two moratoriums on accepting certain applications. On April 19, 1992, the Commission instituted moratorium prohibiting the filing of new station applications for MDS and MMDS channels. On February 11, 1993, a second moratorium was adopted for ITFS channels which prohibits the filing of new

station and major modification applications (MM Docket No. 93-24). The length of these moratoriums has had a significant impact on our business. The moratoriums prevent channel acquisition and system upgrades. While I understand the staff constraints faced by the Commission and the purpose of imposing the moratoriums, we need relief from the continuation of the moratoriums for any significant length of time.

A second problem area for AWS is obtaining timely action on pending modification applications. There have been several instances where AWS has filed directly or indirectly in conjunction with the licensee an application that has remained pending without any action by the staff for over one year. The most egregious example is the minor modification application for the Minneapolis B-Group channels that was filed on October 7, 1992 and is still pending 18 months later. Enclosed are copies of letters to the staff members identifying these applications. My intent here is not to lay blame upon these specific staff members because I am sure they are busy, but to request a change in the setting of priorities by the Commission and receive timely action on applications.

The wireless cable industry can make a difference to subscribers by providing a competitive alternative to hardwire cable operators. To achieve such consumer benefits, however, wireless operators such as AWS need the Commission to remove the roadblocks that inhibit the industry's development. I urge the Commission to make wireless cable a higher priority for staff members and, if possible, allocate more resources to the processing of wireless system applications. Finally, I would ask the Commission to examine lifting its moratoriums in the near future to allow operators to begin necessary channel acquisitions, system upgrades and system development.

I appreciate your consideration on these matters.

Sincerely yours,
Todd Parnst

Todd J. Parriott

Counsel

TJP:sr Enclosure

cc: Andrew C. Barrett, Commissioner
James H. Quello, Commissioner
Barbara A. Krisman, Chief Video-Services Division
Clay Pendarvis, Chief Television Branch
James R. Keegan, Chief Domestic Facilities Division
Robert James, Chief Domestic Radio Branch